



Housing Counseling form HUD-9902

Frequent Answers & Questions

In September 2006, HUD issued a revised HUD-Form-9902, the data collection instrument for the Program, to be used by all HUD approved housing counseling agencies effective October 1, 2006. Below are frequently asked questions and answers designed to assist agencies in utilizing the revised form and in accurately reporting housing counseling activities.

Q1: What is the purpose of the revised form HUD-9902?

A: HUD's goal with the revised HUD- 9902 form is to improve the quality of the Housing Counseling Program data and to standardize the response methodology. The 9902 data is critical because it is with this data that we demonstrate to Congress and the Office of Management and Budget/Whitehouse the impact of the program.

HUD uses these numbers to justify proposed appropriations, to develop performance indicators, and report regarding accomplishment of performance goals.

The data collected from form HUD-9902 also plays a role in Notice of Funding Availability (NOFA) scoring. We evaluate 9902 data in the context of the type of services provided, costs, spending decisions, etc. It is important for agencies to report education and counseling activities correctly.

Starting in Fiscal Year (FY) 07, which begins in October 1, 2006, all agencies participating in HUD's Housing Counseling Program are required to submit this new form HUD-9902 quarterly.

Q2: How does an agency access the new form HUD-9902?

A: Each participating agency's template is available through the Housing Counseling System (HCS). Select the correct reporting year. HCS can be accessed on HUD's website...

<http://www.hud.gov/offices/hsg/sfh/hcc/hccprof17.cfm>

The form can also be downloaded from HudClips at: <http://www.hudclips.org>

Select "forms", then select HUD-9*. You must click on "Next List" two times to access the form. Note there are two versions listed - FY06 and FY07. Use FY07 for reporting period beginning October 1, 2006 and any future reporting.

Q3: When are the form HUD-9902 submissions due?

A: Starting in FY 07 Form HUD-9902 is due quarterly. The first and 3rd quarter reports and midterm report, are due on the last calendar day of the **month** after the reporting period ends. The final report is due December 31st.

In the rare instance where an agency or HUD terminates approval, the agency will be asked to submit its form HUD-9902 within 30 days from the date of termination.

Q4: With the new Quarterly reporting requirement, should submissions be cumulative?

A: Agency activities should be cumulative. With the new form, the 9902 submitted to HUD each quarter should reflect the cumulative year to date data.

Q5: How does an agency participating in HUD's housing counseling program submit its form HUD-9902?

A: Every agency is now required to submit Form HUD-9902 electronically through HUD's HCS system (<http://www.hud.gov/offices/hsg/sfh/hcc/hccprof17.cfm>) or through a Client Management System (CMS) that interfaces with HUD's database.

Q6: What is the reporting period?

A: HUD's reporting period follows the federal government's fiscal year cycle - October 1 through September 30.

Q7: What are reporting requirements for State Housing Finance Agencies (SHFAs) that do not receive HUD funding?

A: A State Housing Finance Agency (SHFA) that does not receive a HUD Housing counseling Program grant, but elects to participate in the program, must meet all program requirements, including Form HUD-9902 reporting.

Q8. Many HUD-approved housing counseling agencies do not apply and/or receive funding through the NOFA. Why should these agencies submit a form HUD-9902 and be concerned with accurate data collection?

A: Submitting Form HUD-9902 is a requirement for continued HUD approval and program participation. It is also in the interest of every HUD-approved agency to report activities on the 9902 correctly. This data collection helps HUD portray the real need/demand for housing counseling that exists nationwide, and it also helps HUD justify funding for training HUD-approved Housing Counseling Agencies.

Q9. Who and What Gets Counted on Form HUD-9902?

A. Only counseling and education activities are recorded. Marketing and outreach, such as community presentations, are not recorded.

Q10: Is a course that occurs in four 2-hour sessions considered 4 courses or one?

A: The form is designed to capture participation in each complete course on a unique education topic. For example: whether or not the course is completed in one 8 hr session, or four 2-hour classes, it is counted as **one** course.

Q11. Does Section 6 exclusively capture workshop activity?

A: Section 6 exclusively captures workshop activity. No one-on-one counseling activity is to be recorded in Section 6.

Q12: Are group education/activities and results ever recorded in Section 7 of form HUD-9902? For example, say an individual participates in a homebuyer education course - and that is enough information for them to successfully purchase a home, do they get recorded in Section 6 - group section - and then the result in Section 7?

A: No - results of a group education/outreach session are not recorded in section 7.

HUD is aware that some agencies have developed follow-up systems / surveys to capture results of group education sessions. We don't want to discourage that practice and you may include the results of this type of follow-up in your midterm and final narratives if you are a grant recipient.

Q13. If an agency offers predatory lending and financial literacy in one seminar, how should this be reported?

A. Its reported in Section 6 under one of the workshops categories or “h. other” category”. This type of workshop is treated as one unique workshop covering different topics.

Q14. How can I quality control my submission to make sure that the data is accurate and complete?

A: Changes to the form have resulted in it now having a built in quality control mechanism. (total Section 3 = total of Section 4 = total of Section 5 = total of sections 6+7)

Q15. On the new Form HUD-9902, the right hand column, the HUD grant activity column, is auto-populated by HCS. Will these HCS produced figures be used to evaluate performance relative to projections made on the logic model, form HUD-96010.

A: No. The logic model, Form HUD-90610, will be used by grantees to make projections relative to the grant *and* report on the actual activities attributed to the grant. The numbers HCS attributes to an agency under the HUD grant on the new 9902 will not necessarily be the same as the activity the agency reports on the logic model.

Q16. Do quarterly 9902 reports replace the Logic Model?

A. No. Specific HUD Housing Counseling Grant activities will now be reported through The Logic Model.

Q17: How were the race and ethnicity categories established?

A: The Office of Management and Budget who requires us to collect this data provided these categories. It is part of a government wide effort to capture race/ethnicity data for all beneficiaries of government programs.

Q18: How does an agency properly complete sections 3 and 4 of the form HUD 9902?

A: The basic idea here is for each counseling or education activity you record, select one option under Section 3 and one under Section 4. Therefore, the total numbers reported in Section 3 and Section 4 would be equal.

HUD wants racial/ethnic data for both those receiving education / workshops and for those who receive one-on-one counseling. Ideally the number of households counted in the racial/ethnicity section would equal the total number counseled. To facilitate this, the new 9902 has a new category, “chose not to respond”, for those clients who are unwilling or unable to self-identify.

Q19: Under Section 4, there are no categories for people of Middle Eastern descent. How would an agency report these clients under Section 4?

A: These clients would be reported as white (defined under OMB guidelines as "a person having origins in any of the original peoples of Europe, the Middle East, or North Africa").

Q20: What if someone comes in for multiple, distinct types of counseling in a reporting period? Would an agency consider them as a new client each time and record their demographic data each time?

A: Yes - record their racial/ethnic data each time they visit the agency for a different type of counseling service. For example, if an individual comes in for one type of counseling, for example pre-purchase, the agency would record their demographic data and also the type of counseling and the outcome once the file is terminated. If, later in the reporting period, the same individual comes in for another type of counseling, for example default counseling, record this new activity in Section 7 and then record their demographic data again.

Q21: How does an agency report a client that seeks counseling more than once for the same issue? For example, a family receives housing counseling for mortgage default. The default is resolved through a special forbearance. Several months later, the same family comes back for default counseling again. Are these counted as two separate clients?

A: The answer depends on whether the agency terminated counseling after the first visit. In this example, the first visit resulted in an initiated forbearance agreement or payment plan so the agency should have terminated the counseling and closed the file. The second visit, even though for the same issue, is a new event and the agency would report the demographic information and counseling results again for the family.

However, suppose the clients never resolved their default as a result of the first visit and the file was not terminated. The second session may be considered a continuation of their default counseling. In this situation, the clients' demographic data is only recorded once and the result of the housing counseling would be reported under "currently receiving Foreclosure Prevention/Budget Counseling."

Q22: How often does HUD publish income data limits?

A: HUD publishes new income data limits each year. The latest set is available at: <http://www.huduser.org/datasets/il.html>

Q23: How does an agency accurately calculate income levels?

A: Agencies are to record income levels in Section 5 for all activities, individual counseling or group education activities recorded in sections 6 and 7. The income levels are based on the percentage of the **MEDIAN** income for the area (AMI) for each family recorded. The AMI's for each state or county can be found at HUD's website: www.huduser.org.

To find “Income Levels” data:

- **Click on the HUD User data sets link**
- **On the Data Sets page, scroll down to the U.S. map**
- **Click on the applicable state to view Median Family Income by county and family Size.**

The units for the possible responses on the 9902 are percentages, but the AMI data doesn’t give percentages, for the “very low” and “low income” categories. Corresponding percentages for those categories appear below. Knowing these percentages will help you complete Form HUD-9902.

- **“Very low” = 50% of median**
- **“Low-income” = 80% of median**

From the following chart, you can see that 30% of the Area Median Income (AMI) for a family of 2 is \$19,250. 50% of the AMI for a family of 2 is \$32,100 and \$47,700 is low income. Since \$30,000 fits right in between 30% and 50%. A client with a family income of \$30,000 would be counted in Section 5a of Form HUD-9902 as **“less than 50% of AMI”**.

Income Level Calculation Example

Family of 2 with an annual income of \$30,000.

- Go to website click on the State of Connecticut and find City of Hartford MSA
- Find the 2 person column

MSA: Hartford CT

1 PERSON 2 PERSON 3 PERSON 4 PERSON 5 PERSON 6 PERSON 7 PERSON 8 PERSON

30% of Median	19,250
Very Low (50%)	32,100
Low-Income (80%)	47,700

Q24: How does an agency accurately calculate 100% of AMI?

Example to find greater than 100% of AMI
<p>Family of 2 making \$60,000/yr.</p> <p>The data set does not say specifically what 100% of AMI is, you must first calculate what 100% of AMI is. To calculate 100% of AMI for a family of 2, you can <u>only</u> use the 80% figure (\$47,700)</p> <p><u>Example</u></p> <ul style="list-style-type: none">• Divide \$47,700 by .80• $\\$47,700 / .80 = \\$59,625$• 100% of AMI = \$59,625• \$60,000 is greater than \$59,625, so the answer is• greater than 100%, 5d

Q25. Why is the 80% figure the only figure an agency can use to calculate 100% of AMI?

A: The formula used to calculate 30% and 50% incorporates other factors and consequently they aren't always in strict mathematical proportion with the 80% figure.

Q26: When an agency serves multiple MSAs (Metropolitan Statistical Areas) with different Area Median Income (AMIs), can the housing counseling agency just use the state average?

A: No. There is quite a bit of variation on Area Median Income (AMI) from area to area so use the MSA that applies to the area your client resides in and calculate the AMI as adjusted for family size.

Q27: What should an agency do when a client is reluctant to provide income data?

A: HUD advises the agency to be sensitive to their client's position but to be persistent in a friendly way. Perhaps show them the ranges of income based on their family size and

ask them to just indicate which range their income falls under and emphasize that it's just a range and not an exact number. If the client is ultimately unwilling to provide the information, don't guess, instead select "chose not to respond."

Q28: If a housing counseling agency teaches a class to a large group of people, must the agency collect demographic data for the participants? For example, if the agency provides a homebuyer education workshop to 100 participants.

A: The agency must collect the demographic data for all education participants. HUD recommends the agency devise a simple, anonymous form for clients to complete at the beginning of the class.

Q29: How does a housing counseling agency record education class activities for topics that are not listed under Section 6 of form HUD 9902 (Education/Outreach Services)?

A: The agency should try and fit the topic into the categories listed. For example, if a topic is pre-purchase in nature, it can be reported under Homebuyer Education. If the category is not listed, the agency can report on "Other" category.

Q30: Does the distribution of materials, such as pamphlets, get counted on Form HUD-9902? For example, if an agency staffed a booth at a community event and distributed information about their programs to 500 people, would those 500 people be reported on form HUD 9902?

A: No, these types of interaction would not be reported on the HUD 9902. This activity is reported on the **Logic Model Form HUD –96010 (2/2006)**

Q31: How are clients with no identifiable result reported under Section 7?

A: Clients with no identifiable result can be recorded on form HUD 9902 under each subsection of Section 7 as a "currently receiving counseling" or "other" options.

If you reported a client as "currently receiving counseling" or "other" on the mid-year report and a real result is learned before the end of the reporting period, update the 9902 by taking one out of "currently receiving counseling" or "other" category and adding one to the proper result category.

Q32: What happens when an agency reports one result then finds out the next reporting year that this result was incorrect? For example, an agency reported a client under "will be mortgage ready in 90 days." In the next reporting year, the agency finds out the client did not purchase a home until 6 months after the counseling.

A: The agency reported the status of the client at the time based on the most current information it had available. If the client did not return to the agency for additional

counseling and was not reported as a client in the new reporting year, there is no need to amend the prior year report.

Q33: How should agencies report carryover clients - individuals that received counseling in the previous reporting year, and are now receiving counseling again in the current year?

A: Enter the number of clients to whom the agency provided housing counseling during the report period, by the purpose of their visit and result. Count clients who entered your workload the previous report period but who carried over into and received counseling on the same topic during the current report period. Do not count clients whose result changed, but who received no additional services.

Q34: If several members of a family come to a housing counseling agency for counseling, for example a husband, wife, and their teenage son visit the agency for pre-purchase counseling. Are they counted as three clients or one?

A: The family would be reported as one client (one individual household).

Q35: What happens if three families with the same housing issue come together to a housing counseling agency? Would the group be counted as one client or three clients?

A: There is an example in the form instructions where three families come in and are counted as one. The key here is the group came together and approached the agency as one entity. No individual substantive analysis was needed and no work was required besides that which was done for the group as a whole.

If there is follow up for a particular family, or special circumstances that caused you to perform substantive analysis on a family's unique financial situation beyond the group issue, then count this client individually in addition to the group.

Q36: How would an agency record demographic data for a group that it is counting as only one client?

A: HUD understands this may be difficult when recording the one race/ethnicity and one income for the whole group. If group is predominantly one race/ethnicity or one income level - choose the most common. If the group is diverse, use your best judgment and try to represent the group fairly. If unable, choose "other".

Q37: How does an agency report the result of one-on-one post-purchase counseling in the area of home maintenance when the client doesn't receive a home equity or home improvement loan?

A: Results of counseling with the purpose of home maintenance belong in Section 7c. There is a subcategory for those clients that obtain a loan. However, for those results not

involving a loan record as "other" and note in the final narrative a few key words to indicate what "other" represented in this situation.

Q38: Should housing counseling agencies frequently report counseling results in "other" categories?

A: One of HUD's goals in developing the new form was to account for as many outcomes as possible so agencies completing the form could avoid the "other" response. In past reporting periods, a large percentage of the responses would be "other." This made it more difficult for HUD to report program results and achievements to Congress. We would like agencies to avoid using the "other" response under Section 7 whenever possible.

If you think we need additional categories for individual counseling, let us know.

Q39: What is included in the new field, "Total Annual Housing counseling Program Budget"?

A: "Total Annual Housing Counseling Program Budget" includes: All HUD grants and other public or private funding sources, including in-kind contributions, that support the agency's housing counseling program directly. This figure should always represent the full-year total, and can be amended as necessary.

Q40: Do agencies that are both part of an intermediary or SHFA network and a Local Housing Counseling Agency (LHCA) submit their quarterly reports through the intermediary?

A: All reports are submitted through HCS, or a client Management System that interfaces with HUD's databases.

Rev 01/31/07